Decline in Foreign exchange reserve

2270. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been a decline in the foreign exchange reserve in the recent period; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (b) The position in regard to movements in the level of foreign exchange reserves (excluding Gold and Special Drawing Rights) since 31st March, 1986 is indicated below:

(Rs. in crores)

31st March, 1986 . . .	7384·35
31st July, 1986 . . .	6478·03
31st March, 1987 . . .	7645·17
31st July, 1987 . . .	6718·62

Loans to International Amusements Ltd.

2271. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that on September 15, 1984, International Amusements Ltd. was incorporated with its regd. office at Charminar Bazar, Pragati Maidan, New Delhi with a share capital of Rs. 70|-;

(b) if so, the details and the names of its directors;

(c) whether it is also a fact that on October 30, 1984 it received a loan of Rs. 50 lakhs from the Canara Bank, Parliament Street, New Delhi;

(d) if so, the details of the items against which loan was sanctioned;

(e) whether any other loan was granted to the company and if so, the details thereof;

(f) whether it is a fact that neither the interest nor any amount towards original loan have been paid; and

(g) if so, whether any steps are being taken against the Company for not fulfilling the loan terms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) International Amusements Limited was incorporated on 15th September, 1984 with its registered office at Charminar Complex, Pragati Maidan, New Delhi with an authorised capital of Rs. 1.50 crores and with a subscribed capital of Rs. 70|-.

(b) The first directors of the company are Sarvashri Suresh Kumar Chawla, Vijay Chand Mankotia, Sharat Chandra Das, Narinder Kumar Malik and Gian Chand Vijeshwar.

(c) to (g) The Canara Bank has reported that it has sanctioned financial assistance for this company. As per the statutes governing the public sector banks and the practices and usages customary among the bankers, information relating to or to the affairs of their individual constituents cannot be divulged.

Excise evasion by the Godrej

2272. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether a sum of Rs. 11.95 crores is due as Central excise on refrigerators manufactured and cleared by the Godrej and Boyce;

(b) if so, what are the details thereof;

(c) the methods adopted by the company for evading such huge amounts of Central excise duty; and

(d) the steps taken to recover the dues?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (b) A

show cause notice dated 9-7-1987 has been issued by Collector of Central Excise, Bombay-II to M|s. Godrej & Boyce Manufacturing Co. Pvt. Ltd., Bombay for evasion of duty to the tune of Rs. 11.95 crores approximately on refrigerators.

(c) The method adopted by the company for evading Central Excise Duty was by claiming deductions of trade discounts from assessable value from their prices when in fact such discounts were conditionally refundable and thus not admissible. These trade discounts were given for purposes of meeting expenses on advertising and after sales services on behalf of the company.

(d) The show cause notice is presently pending adjudication before Collector of Central Excise, Bombay-II. The question of recovery of any dues on this account can arise only after the case is adjudicated.

Pressure for devaluation from IMF and World Bank

2273. SHRI N. E. BALARAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is mounting pressure for devaluation from the World Bank and the International Monetary Fund (IMF); and

(b) if so, the details thereof and reaction of Government in regard thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) No, Sir.

(b) Does not arise.

Proceedings against Voltas for economic offences

2274. SHRI N. E. BALARAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have launched legal proceedings against Voltas, a company belonged to Tatas, for committing economic offences; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (b) The Collector of Central Excise, Bombay have initiated legal proceedings against M|s. Voltas Ltd., Bombay (a unit belonging to Tata Group) for evasion of Central Excise duty to the tune of Rs. 775.12 lakhs for undervalueing the room airconditioners being manufactured by this company.

Information relating to Central Board of Direct Taxes is being collected and will be laid on the Table of the House.

Major development projects

2275. SHRI N. E. BALARAM: Will the Minister of PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether it is a fact that a number of major development projects approved by the Central Government for implementation during the Seventh Plan have been found to cost much more than the original estimate due to delay in its implementation; and

(b) if so, what are the details of these projects and reasons for delay in their implementation?

THE MINISTER OF STATE IN THE MINISTRY OF PROGRAMME IMPLEMENTATION (SHRI SUKH RAM): (a) and (b) According to the available information as on 31-3-1987 in respect of projects costing over Rs. 20 crores being monitored by this Ministry, six projects which were approved from 1-4-1985 to 31-3-1987 have reported time and cost over runs. Two projects are in coal, one in petroleum, two in fertiliser and one in power sectors. The main reasons for the delay include problems concerning acquisition of land, clearance from environmental angle, industrial relations, equipment|material supply delays etc.